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C O N F I D E N T I A L SECTION 01 OF 03 BAGHDAD 001676

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SUBJECT: KOUCHNER MEETS CG PETRAEUS, LAUDS SPECTACULAR
PROGRESS

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Classified By: Charge d'Affaires, a.i. Patricia A. Butenis for reasons
1.4(b) and (d).

¶1. (C) Summary: French FM Kouchner congratulated MNF-I Commanding General (CG) Petraeus on "spectacular" progress in Iraq during an hour-long June 1 meeting held at the Guest House on President Talabani's Karrada compound. Also attending were S/I Satterfield, and, for the French, Ambassador Jean-Francois Girault, NEA A/S-Equivalent Jean Felix-Paganon, and MFA Advisor for the Middle East Christophe Bigot. Kouchner emphasized the need to forge strong ties to Iraqi Shi'ites and to foster a split with their Iranian co-religionists. Satterfield said Arab states were now acknowledging Iraq's example of moderate Shia government, noted a new readiness of Arab states to engage with the GoI, and urged Kouchner to encourage PM Maliki to be receptive to overtures from Arab states. Kouchner doubted his own capacity to influence Maliki, alluding to personal friction in 2007 that he said had since largely been overcome. The CG told Kouchner that Maliki deserved credit for his resoluteness in tackling the militias in Basrah. The CG suggested efforts should be made to change the Syrian stance toward Iraq and to stem the flow of foreign fighters from Syria. On Lebanon, Kouchner took a grim view, terming recent developments a defeat and pronouncing Hezbollah to be the winner. He judged the Palestinian problem a major obstacle to regional progress and said he had concluded that Israel did not want peace and would not make adequate concessions on settlements. Abu Mazen's position had become untenable, he feared. Kouchner said Sarkozy had extended an invitation to Bashar al-Asad to attend a July 13 summit in France on the Mediterranean Union, adding that he regretted this "reward" to Damascus. He doubted al-Asad would attend since Israel would also be present. With Kouchner heading to Erbil, Satterfield urged him to press the KRG on the importance of hydrocarbons legislation and the need for real action against the PKK. Kouchner welcomed the CG's CENTCOM appointment and pledged to visit the CG again in that capacity. He accepted Satterfield's offer to hold detailed discussions on Iraq and GoF engagement in Paris later in the month. End Summary.

¶2. (C) French FM Kouchner, CG Petraeus and Senior Advisor to the Secretary and Coordinator for Iraq Satterfield held an hour-long meeting on June 1. Attending on the French side were Ambassador Jean-Francois Girault, NEA A/S-Equivalent Jean Felix-Paganon, MFA Advisor for the Middle East Christophe Bigot, DCM Alexandre Garcia and Political Counselor Sylvain Fourriere.

¶3. (C) Kouchner opened by marveling at the state of Nasiriyah, where he started his May 31-June visit to Iraq. He complimented Iraqi security in Nasiriyah and commented favorably on the overall situation in Iraq in comparison to August 2007, when he last visited. The CG himself noted a

vast improvement since he assumed MNF-I command in 2006, a period when on average 55 Iraqis were dying each night from sectarian violence. By contrast, levels of violence in May 2008 were negligible; Al Qaeda in Iraq (AQI) was struggling to survive; and insurgent militias and Iranian-backed Special Groups were regrouping after sustaining tough losses, including casualties among their top leadership, in Basrah and Sadr City. Iran had dialed down militia activity, the CG suggested, amid concerns that public opinion was turning against the militias and by implication Iran, jeopardizing its strategy to co-opt the Iraqi population and "Lebanonize" Iraq. Barring sporadic suicide bombings, violence was now at a more manageable level, he said. Iraqi and U.S. fatalities had dropped substantially, even though the U.S. had withdrawn three of the five "Surge" brigades, two Marine battalions, and the Marine Expeditionary Unit. Iraqi forces, which were incurring three times the casualties of MNF-I, had taken on a far greater role in fighting for their country. IED attacks were also down to 2003 levels after reaching a high in 2007. CF and ISF discoveries of weapon caches had risen sharply. Kouchner termed the positive change spectacular and extremely important.

¶4. (C) Kouchner welcomed the CG's CENTCOM appointment and future responsibility for the Afghan theater. He pledged to visit the CG in his CENTCOM capacity. The CG lauded the increase in French forces deployed in Afghanistan, stating the French contribution could not have been more timely. The Foreign Minister called attention to the pledging conference he would oversee in Paris on June 12 and endorsed an approach he called "Afghanization", of bringing military forces closer to the populace. He noted the scruples of many French NGOs who recoiled from heightened civilian-military cooperation; however, the only way forward for Afghanistan was to involve its own people more broadly in the overall effort. Kouchner warmed to the CG's comment that Doctors Without Borders (which Kouchner founded) had pioneered a similar approach of

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integration at the local level. He urged attention not just to the health sector, but especially to the underfunded agricultural sector in Afghanistan.

¶5. (C) Returning to Iraq, Kouchner stated it was imperative to forge strong ties to Iraqi Shi'ites. He commented, in a mixture of jest and exasperation, on his continuous efforts to bring his own MFA advisors over to that view. The CG declared the need for Iraq to be a bulwark against Iran, which seeks to be a regional hegemon. Kouchner regretted developments in Lebanon, including the Doha agreement which he baldly branded "our defeat," judging that collectively "we were unprepared," had lacked viable options, and had misjudged the possibility of splits in the Christian camp which could have been exploited to craft new coalitions. Ambassador Satterfield observed that GoL President Suleiman as LAF Commander could not allow between the LAF and Hezbollah, causing Kouchner to opine that such a move at this juncture would have triggered a "third civil war" in Lebanon. Ambassador Satterfield remarked that the Hezbollah coup in Beirut had stunned the Sunni Arab regimes, whose apprehensions regarding Iran now covered three fronts: Lebanon, radicalization of Palestinians, and Iraq. Exceptionally, Iraq offered an example of a moderate Shia government pushing back on Iranian ambitions and support for violent elements, a fact that had now registered with key states such as Egypt, Jordan, Bahrain and the UAE, Satterfield stated. The CG suggested that this might generate some leverage to help bring about a change in the Syrian posture toward Iraq. Turkish mediation of a Syrian-Israeli dialog, however incipient, suggested diplomatic engagement might prove feasible. The CG stated however that Syria remained actively unhelpful, continuing to shelter networks for foreign fighters and to allow them entry to Iraq. Satterfield said that effecting a break between Syria and Iran would be a major development; Kouchner said he doubted that even an Israeli-Syria treaty would end

Damascus's strategic relationship with Iran.

¶6. (C) Kouchner, who regretted his absence from Stockholm due to ministerial obligations in Paris and his travel itinerary for Jordan and Iraq, asked for Ambassador Satterfield's take on the ICI Conference. Satterfield responded that Stockholm had showcased Iraqi progress and highlighted the GoI commitment to improved delivery of essential services to its populace. PM Maliki and DPM Salih both had underscored that Iraq was not a mendicant state, but on the way to being a wealthy country. The CG commented that Iraq was producing nearly 2 million barrels of oil daily. Returning to Teheran, Kouchner offered that rising oil prices had deflected the impact of sanctions on the Ahmadinejad regime. Satterfield again noted the growing recognition among Iraq's Arab neighbors of the need to engage with the Maliki government. He confided that the UAE planned to open an embassy in Baghdad, prompting an intervention by Kouchner on France's own growing cooperation with the UAE, notably its establishment of a naval base at Abu Dhabi.

¶7. (C) Kouchner judged that the Israel-Palestine question -- a "big black hole" -- would continue to weigh down the region. He had previously been more hopeful of a resolution, but, after his latest visit to Israel in May, he now believed that the Israelis did not want peace, because they could not accept the need to rein in Israeli settlements. Without Israeli action, Abu Mazen would be lost, possibly even killed, Kouchner concluded. "Abu Mazen told me face to face," Kouchner said, "that he can't resist anymore."

¶8. (C) Asked for his view of Syrian President Bashar al-Asad, Kouchner said that Bashar was consolidating power but hesitated to describe him as more confident in his position. Kouchner noted that French President Sarkozy had phoned Bashar three days earlier with an invitation for a July 13 summit in France on the Mediterranean Union initiative that France has championed within the EU. Bashar had accepted the invitation but Kouchner doubted his attendance, since the Government of Israel would also be present. Kouchner commented scathingly that Sarkozy's invitation was a "fine reward" to Syria in the context of the Lebanese election.

¶9. (C) Emphasizing his belief in the need to "split Iraqi and Iranian Shi'ites," Kouchner chided colleagues in his own delegation, who remained mostly silent throughout the meeting, for what he said was disagreement with his perspective on this and most other issues raised in the meeting. The CG commented that Iraq wants to avoid being "Lebanonized." Iraq, the CG commented, may have the largest oil reserves in the region, once fully mapped, surpassing both Saudi Arabia and Iran. There were indications of huge oil reserves in Anbar, he stated. Satterfield stressed that

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PM Maliki needed encouragement on keeping the door open to Arab neighbors, whose assistance had not been forthcoming, but who were now slowly, grudgingly, showing willingness to engage with the GOI. Kouchner took the message aboard, while confessing that his poor start with Maliki in 2007, when he had castigated the Prime Minister as a principal obstacle to progress in Iraq, might limit his own influence, even if the two leaders were now on better terms. The CG told Kouchner that Maliki deserved credit for his courage in tackling the militias in Basrah. The militias, sensing their imminent destruction, had melted away, allowing ISF to take control. The CG noted that three Special Groups leaders, Iranian-trained, had been apprehended by the GoI, as had a Lebanese Hezbollah commander. More than 600 militia members had been killed over a two week period by ISF with CF support; "we hammered them," he said.

¶10. (C) Asked to gauge Iraqi morale, the CG observed a linkage to the diminution of the AQI threat. Whereas the second month of the CG's command had seen 62 car bombs in

Baghdad, Sadr City had not seen a single car bombing in more than six months, he said. At the height of the AQI threat, Iraqis had welcomed the militias in hopes of protection. Now, those same militias were seen as criminal, mafia-like elements. Iran, the CG added, has taken the measure of the shift in popular opinion. After Kouchner asked whether Sadr City was now relatively safe, the CG offered to fly him there, prompting the Foreign Minister to volunteer that he had asked to visit Sadr City, finishing his phrase with a gesture of amicable frustration toward his own delegation, as if they had nixed the project. The CG assessed that Baghdad life was picking up, with outdoor events and even active soccer leagues. That said, the CG did not want to overstate progress, but there were promising signs. The Iraqi army, moreover, was taking on the brunt of the fighting, as in Ninevah, where approximately 35 GoI battalions were now working alongside the equivalent of only 4-5 Coalition battalions.

¶11. (C) Noting Kouchner would continue onward to Erbil and meet with the KRG President and PM, Ambassador Satterfield stressed the critical importance of urging the passage of legislation on hydrocarbons, vital if the GoI is to develop the energy sector. Lukoil, he noted, had gotten nowhere with the GOI on a USD 30 billion proposal two months ago that would have generated thousands of jobs in Basrah. When asked about the KRG lead on the hydrocarbons negotiations, Satterfield told Kouchner that President Massoud Barzani deferred to KRG PM Nechirvan Barzani on the matter. He said that Nechirvan was planning shortly to present a proposal directly to PM Maliki, thus bypassing the ministerial bureaucracy.

¶12. (C) Satterfield suggested that another point that Kouchner could helpfully press was the need for the KRG to do its part in constraining PKK activity. Kurds wanted and needed a partnership with Turkey, noting there were circa USD 8 billion Turkish investments in the region. The CG said a KRG offer of PKK amnesty had prompted hundreds of fighters to come forward, a development that Kouchner said Talabani had also mentioned. The next step, the CG said, would be to close the Mahkmour refugee camp, which PKK fighters had been exploiting for R&R and sanctuary. The renewal of direct GoT contact with the KRG was encouraging, Satterfield concluded.
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